

Transcript Exhibit(s)

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AZ CORP COMMISSION

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SOLVED

Arizona Corporation Commission DOCKETED

FEB 3 & 2012



ARIZONA CORPORATION COMMISSION Corporations Division

1300 West Washington Street Phoenix, Arizona 85007-2929 400 West Congress Street, Suite 221 Tucson, Arizona 85701-1347

Effective Date: 09/14/2011

CERTIFICATE OF DISSOLUTION

To: ANDREW WARN PO BOX 306 ELFRIDA, AZ 85610

Corporation Name: THE ELFRIDA DOMESTIC WATER USERS ASSOCIATION

File Number: -0043551-3

The Corporation Commission has determined that the following grounds continue to exist under A.R.S. ''10-1420 & 10-11420 and therefore has administratively dissolved your corporation pursuant to A.R.S. ''10-1421 & 10-11421 on the effective date of this notice.

FAILURE TO FILE ANNUAL REPORT.

IF YOU HAVE MAILED YOUR ANNUAL REPORT WITHIN THE LAST 30 DAYS PLEASE DISREGARD THIS NOTICE.

Under A.R.S. '10-1422 & 10-11422, your corporation may apply to the commission for reinstatement within six years after the effective date of this dissolution.



Arizona Corporation Commission Annual Reports Section (602) 542-3285

Questions can be directed to:

Phoenix (602) 542-3285 or Toll Free 1-(800) 345-5819 or Tucson (520) 628-6560. Please ask to speak with an examiner in the Annual Reports Section.

<u>Note:</u> Helpful information can be found on the Commission web site **www.azcc.gov** Profit annual reports can be electronically filed via the web site.



Copy 9

NEW APPLICATION

LEGAL

RECEIVED

2011 FEB 25 P 4: 06

APPLICATION FOR APPROVAL OF THE SALE OF ASSETS AND/OR FOR CANCELLATION OF THE CERTIFICATE OF CONVENIENCE OF CONTROL NAME OF THE CERTIFICATE OF CONVENIENCE OF CONTROL NAME OF CONTRO AND NECESSITY

ARIZONA CORPORATION COMMISSION

WATER AND/OR SEWER FEB 2 8 2011

LEGAL DIV.

ARIZ CURPURATION CUMMISSION

	W-01351A-11-0089
A.	The name, address and telephone number of the Applicant is:
	ELFRIDA DOMESTIC WATER USERS ASSOCIATION
	P.O.Box 356 10394 "C" N. HIWAY 191
	ELFRIDA, AZ. 85610 (520) 642-1290
В.	If doing business under a name other than the Applicant name, specify.
	NA
C.	The Applicant is a:
	☐ Corporation: ☐ "C", ☐ "S", ☑ Non-Profit ☐ Arizona ☐ Foreign
	☐ Partnership ☐ Limited ☐ General ☐ Arizona ☐ Foreign
	☐ Sole Proprietorship
	☐ Limited Liability Company (LLC)
	Other (Specify)



D.	List the name, address and telephone number of the attorney for the applicant: N A
	
E.	List the name, address and telephone number of the management contact:
	MICHAEL J. COYLE DR.
	11278N, Hi WAY 191
	ELFRIDA AZ 85610 520-642-3315
F.	The name, address and telephone number of <u>Purchaser</u> is:
	ELFRIDA WATER IMPROVEMENT DISTRICT
	P.O.Box 356 10394 "C" N. HIWAY 191
	ELFRIDA, AZ. 85610 520-642-1290
G.	List the name and telephone number of the purchaser's representative.
	MICHAEL J. COYLE SR. 520-642-3315
Н.	The Purchaser is a:
	☐ Municipality
I.	The purpose for the sale and/or cancellation is due to:
	Negotiated Sale of Asset

J.	Provide a copy of the following documents.
	 Sales or purchase agreement Court order (if condemnation) Corporate Resolution authorizing the liquidation of the assets, if required by the Articles of Incorporation
K.	Have all customer security deposits been refunded? YesNo_X_ If no, mark the block below that describes the proposed disposition of security deposits.
	☐ All security deposits will be refunded prior to or at time of closing.
	All security deposits will be transferred to the Purchaser for refund pursuant to the terms and conditions.
	□ Other (explain)
	If Yes, mark the block below which describes the proposed disposition of the refunds. □ Applicant will continue to refund after the transfer. (Explain method of refunding)
	Purchaser will assume the refunding obligation in accordance with the terms of the main extension agreement.
	extension agreement.
	extension agreement. Applicant will make a full refund which will be made at closing.
	extension agreement. Applicant will make a full refund which will be made at closing.
	extension agreement. Applicant will make a full refund which will be made at closing.

M.	(WATER ONLY) Are there any refunds due on meter and service line installations? Yes No X If Yes, mark the block below which describes the proposed disposition of refunds.
	☐ Applicant will continue to refund after the transfer pursuant to Commission Rules.
	☐ Purchaser will assume the refunding obligations in accordance with Commission Rules.
	☐ Applicant will make a full refund at closing.
	☐ Other (explain).
	DATED the 17 day of February 2011 Signature of Authorized Representative of Applicant) MCHAEC J. Colle JR. (Type or Print Name Here)
	(Type of Frint Name Fiete)
	(Title)
SU	BSCRIBED AND SWORN to before me on this 17th day of Juliuary, 2011
	Charlotte Davis NOTARY PUBLIC
My	Commission Expires Opil 15,2013
	OFFICIAL SEAL CHARLOTTE DAVIS NOTARY PUBLIC - STATE OF ARIZONA COCHISE COUNTY My Comm. Expires April 15, 2013



COCHISE COUNTY ELECTIONS / SPECIAL DISTRICTS

P.O. Box 223 Bisbee, Arizona 85603 FAX: (520) 432-8995

February 8, 2011

Governing Board Elfrida Domestic Water Improvement District 10394 N. Highway 191 Elfrida, Arizona 85610

To whom it may concern:

Attached please find the following documents regarding the recently formed Elfrida Domestic Water Improvement District:

- 1. Resolution 10-84 dated November 30, 2010
- 2. Board of Supervisors Meeting Minutes dated November 30, 2010
- 3. Legal Description for the Elfrida Domestic Water Improvement District
- 4. Map
- 5. Letter from the Arizona Department of Revenue dated February 8, 2011

Please feel free to contact me should you need anything further.

2. Tweek

Sincerely,

Patricia A. Viverto

Special District Coordinator

(520) 432-8974 pviverto@cochise.az.gov

2010-1 F64
Page 1 of 3
Requested By: BOARD OF SUPERVISORS
Christine Rhodes - Recorder
Cochise County , AZ
12-08-2010 08:52 AM Recording Fee \$0.00

RESOLUTION 10-84

ESTABLISHING AN IMPROVEMENT DISTRICT TO BE KNOWN AS THE ELFRIDA DOMESTIC WATER IMPROVEMENT DISTRICT AND SETTING FORTH THE BOUNDARIES THEREOF

WHEREAS, A.R.S § 48-902 authorizes the Board of Supervisors to establish a county improvement district; and

WHEREAS, A.R.S. § 48-909(A)(6) authorizes this improvement district to acquire, construct, reconstruct or repair domestic water works; and

WHEREAS, A.R.S. § 48-905 requires that prior to the establishment of such improvement district the Cochise County Board of Supervisors shall conduct a public hearing noticed in the manner required by law at which time any interested property owner may be heard on any matter relating to the establishment of the proposed district; and

WHEREAS, pursuant to A.R.S. § 48-903(A) petitions by the property owners collectively owning a majority of the real property owners within the boundaries of the proposed improvement district to be known as the Elfrida Domestic Water Improvement District were filed with the Clerk of the Board on October 21, 2010, the requisite statutory Notice of Hearing was given and said Hearing was conducted on November 30, 2010, at the Board of Supervisors Hearing Room, Bisbee, Arizona; and

WHEREAS, it appears that after consideration of any and all objections that the petition is signed by the requisite number of owners of real property and that public convenience, necessity and welfare will be promoted by the establishment of this district; and

WHEREAS, it is the intent of the Cochise County Board of Supervisors to appoint a governing board to govern the proposed Improvement District,

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of Cochise County, Arizona, that:

- 1. That it is the findings of the Cochise County Board of Supervisors that the petition is signed by the requisite number of owners of real property and that the public convenience, necessity and welfare will be promoted by the establishment of an improvement district to be known as the Elfrida Water Improvement District.
- 2. The boundaries of this District and the lands to be included therein are as described in the attached Exhibit "A."

1

RESOLUTION 10- 84

Re: Establishing an Improvement District to be known as the Elfrida Domestic Water Improvement District

Page 2

- 3. That it is the finding of the Cochise County Board of Supervisors that all properties within the area shown in Exhibit "A" will be benefited by the establishment of the proposed District.
- 4. That said District shall be a body corporate with the powers of a municipal corporation for the purpose for which it is organized.
- 5. That the establishment of said District shall be effective upon execution of this Resolution by the Chairman of the Board of Supervisors.
- 6. That the District shall be governed by a five member elected Board of Directors. That until such time as their successors are elected, the initial Board shall consist of the following members:
 - a) Reyna De la Cruz
 - b) Owen Nulliner
 - c) Andrew Warn
 - d) Charles Waters
 - e) Daniel Zamora
- 7. That these first directors shall meet and divide themselves into two classes as specified in A.R.S. § 48-1012(B) for the purpose of establishing their respective terms. All regular elections shall be held on the first Tuesday of November of each even numbered year beginning in 2012.

PASSED AND ADOPTED THIS 30TH Day of November, 2010

Patrick Call. Chairman

Cochise County Board of Supervisors

f. The ward

ATTEST:

Katie A. Howard,

Clerk of the Board

APPROVED AS TO FORM:

Terry Bannon,

Civil Deputy County Attorney

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PROCELUINGS OF THE COCHISE COUNTY BOARD OF SUPERVISORS REGULAR BOARD MEETING HELD 0N TUESDAY, NOVEMBER 30, 2010

ORS

A regular board meeting of the Cochise County Board of Supervisors was held on Tuesday, November 30, 2010 at 10:00 a.m. in the Board of Supervisors' Hearing Room, 1415 Melody Lane, Building G, Bisbee, Arizona. In attendance were Patrick Call, Chair; Ann English, Vice-Chairman; Richard Searle, Supervisor; Michael Ortega, County Administrator, Jim Vlahovich, Deputy County Administrator; Britt Hanson, Chief Civil Deputy Attorney; and Katie Howard, Clerk of the Board.

Chairman Call called the meeting to order at 10:10 a.m.

ANY ITEM ON THIS AGENDA IS OPEN FOR DISCUSSION AND POSSIBLE ACTION

PLEDGE OF ALLEGIANCE

THE ORDER OR DELETION OF ANY ITEM ON THIS AGENDA IS SUBJECT TO MODIFICATION AT THE MEETING

ROLL CALL - All three supervisors present

CONSENT AGENDA

Board of Supervisors

Item 1

APPROVE THE ANNUAL JOINT FUNDING AGREEMENT (JFA NO. 2) WITH UNITED STATES GEOLOGICAL SURVEY (USGS) IN THE AMOUNT OF \$56,500 FOR THE PERIOD OF OCTOBER 1, 2010 TO SEPTEMBER 30, 2011 FOR THE ONGOING HYDROLOGIC INVESTIGATIONS AND DATA COLLECTION IN THE UPPER SAN PEDRO BASIN.

Item 2

APPROVE THE MINUTES OF THE REGULAR MEETING OF THE BOARD OF SUPERVISORS FOR NOVEMBER 16, 2010.

Finance

Item 3

APPROVE DEMANDS AND BUDGET AMENDMENTS FOR OPERATING TRANSFERS.

Warrant No. 38323-38404, 38435-38625 and 38627-38888 were issued in the amount of \$2,107,735.62.

Pursuant to A.R.S. §11-217(C), the published minutes shall include all demands and warrants approved by the Board in excess of one thousand dollars except that multiple demands and warrants from a single supplier or individual under one thousand dollars whose cumulative total exceeds one thousand dollars in a single reporting period shall also be published. The voided warrants are listed below:

<u>Fund</u>	Vendor	<u>Amount</u>
100	Clayton Naughton	21.01
100	USAA Subrogree Crockett	84.03
147	ADOA - Risk Management	126.97
505	ASPC - Safford Ft Grant Unit	178.20
505	Az Water	373.61
100	Katie A. Howard	81.00

Issued warrants are listed as an attachment at the end of the minutes.

Highways & Floodplain

Item 4

APPROVE AMENDMENT NO. ONE TO THE INTERGOVERMENTAL AGREEMENT BETWEEN THE STATE OF ARIZONA AND COCHISE COUNTY FOR A \$260,000 HIGHWAY SAFTEY IMPROVEMENT PROGRAM PROJECT.

Housing

Item 5

APPROVE THE CERTIFICATION OF CONSISTENCY WITH THE CONSOLIDATED PLAN FOR THE HOUSING AUTHORITY OF COCHISE COUNTY TO SUBMIT WITH THE GRANT RENEWAL APPLICATION FOR THE FAMILY SELF-SUFFICIENCY (FSS) PROGRAM.

Sheriff

Item 6

APPROVE CONTRACT 2011-DOJ-013 (2010) BETWEEN THE GOVERNOR'S OFFICE OF HIGHWAY SAFETY AND THE SHERIFF'S OFFICE PROVIDING \$10,000 IN OVERTIME AND EMPLOYEE RELATED EXPENSES (ERES) TO CONDUCT UNDERAGE ALCOHOL ENFORCEMENT AND EDUCATION FOR THE PERIOD OF OCTOBER 1, 2010 TO DECEMBER 31, 2011.

Supervisor Searle made a motion to approve items 1 through 6 of the Consent Agenda. Vice Chairman English seconded the motion and it carried unanimously.

PUBLIC HEARINGS

Elections

Item 7

ADOPT RESOLUTION 10-84 TO APPROVE THE FORMATION OF THE PROPOSED ELFRIDA DOMESTIC WATER IMPROVEMENT DISTRICT, ESTABLISH THE DISTRICT BOUNDARIES AND APPOINT REYNA DE LA CRUZ, OWEN NULLINER, ANDREW WARN, CHARLES WATERS AND DANIEL ZAMORA AS THE INITIAL DISTRICT GOVERNING BOARD.

Vice-Chairman English made a motion to adopt Resolution 10-84 to approve the formation of the proposed Elfrida Domestic Water Improvement District, establish the district boundaries and appoint Reyna De la Cruz, Owen Nulliner, Andrew Warn, Charles Waters and Daniel Zamora as the initial district governing board. Supervisor Searle seconded the motion.

Ms. Patricia Viverto, Special Districts Coordinator, presented this item using a PowerPoint presentation. Ms. Viverto stated that ARS Title 48 establishes the requirements for establishing a water district. She reviewed the process outlined by statute and the requirements for approval and the timeline/history of filing and verifying signatures. She said ten organizing petitioners submitted 173 petitions with signatures of persons owning real property within the proposed district. One of two requirements must be met for the petitions: a majority of persons owing real property or owners of 51 percent or more of real property within the boundaries of the district—72.2 percent of the real property was verified through the petitions. Also stated in the petition was the necessity for it: to provide a permanent economical and a publicly responsive successor in interest to the current domestic water provider and the public convenience, necessity or welfare will be promoted by the establishment of the district; costs will be reduced; and some additional benefits in the form of availability of grants, etc. for political subdivisions.

Ms. Viverto reviewed the boundaries: perimeter of Thompson Road, Martineau Road, Bell Road and White Water School Road and read aloud the legal description. The district will be governed by a five-member Board (named these), appointed by the Board. After appointment, three directors will serve a four-year term; two will serve a two-year term, with successors to be elected in future general elections.

Ms. Viverto stated the Elections/Special Districts Department is recommending approval of the formation of the Elfrida Domestic Water District.

Chairman Call opened the public hearing.

Mr. Robert David Hansen stated that he owned 80 acres off Gleeson Road, he showed the location on the map, and stated that there are no water lines in that area. He is objecting under ARS 48-90-2 Section D 1 and 2 and is requesting to be excluded. He stated that he ran a water company in Tucson and that Elfrida has not had a rate increase in ten years. If they were to increase the water rates in Elfrida, they could pay for a pump; have had 216 users since 2002. He continued they want to take in an area that is approximately 8.8 square miles. If they want to become a district, it is fine with him, but he requests exclusion.

Mr. Bob J. Ratliff said he has no objection to district, but living out where there are no water lines, he has his own well and does not want to be included.

No one else wished to address the Board and Chairman Call closed the public hearing.

Chairman Call asked if there was any reason that the properties should not be excluded.

Ms. Viverto stated that the boundaries do not have to be contiguous in a water district; that notification letters were sent to all the property owners by the Clerk of the Board office regarding the formation of the water district.

Ms. Howard stated that 18 of 507 notification letters were returned undeliverable.

Mr. Hanson read the language of the statutes and stated that it is poorly written.

Supervisor Searle stated that the two requests for exclusion would not result in non-contiguous boundaries, if excluded. He asked if a water district like this can have a property tax; Ms. Viverto confirmed they could. Supervisor Searle verified that everyone in the district would pay the tax.

Vice-Chairman English was concerned about the notices which were returned undeliverable.

Chairman Call deferred further discussion regarding this item until Mr. Hanson can research the statutes.

Returned to Item 7 after Item 8:

Mr. Hanson informed the Board that there is a procedure in the statute that the County Recorder must search through the records to obtain a better address for the undeliverable addressees and that it is possible for the Board to move forward today to form the district before notifying the people. Once they are notified; the procedure for anyone who then wished to be excluded would be to approach the district governing board with their request. The Board needs to decide if they want to form the district today or after the non-notified property owners are notified of the water district formation.

Vice-Chairman English stated that she is looking at the people who are to be appointed to the district governing board and feels that they will have the best interests of the people in their district and is willing to move that responsibility to them.

Mr. Hanson stated that the original motion should be amended.

http://www.co.cochise.az.us/BOS/MeetingMinutes/11.30.10.htm

Vice-Chairman English amended the motion to Resolution 10-84 to exclude the properties requested to be excluded (parcel numbers 40319002 and 40319003). Supervisor Searle seconded the amended motion. The motion to amend was approved 3-0.

Chairman Call called for the vote on the original motion, as amended, and it carried unanimously.

Highways & Floodplain

Item 8

ADOPT RESOLUTION 10-85 AUTHORIZING THE ABANDONMENT OF A PORTION OF A PUBLIC ALLEYWAY AND ACCEPTANCE OF ROAD DEDICATION WITHIN THE HIGHLAND VISTA SUBDIVISION AS DESCRIBED THEREIN.

Supervisor Searle made a motion to adopt Resolution 10-85 authorizing the abandonment of a portion of a public alleyway and acceptance of road dedication within the Highland Vista Subdivision as described therein. Vice-Chairman English seconded the motion.

Ms. Karen Lamberton, Transportation Planner, presented this item using a PowerPoint presentation. Ms. Lamberton said that the subdivision was established in 1960. She showed the location and plat map with location of both the abandonment and the dedication proposed; site plan for Habitat for Humanity subdivision; photo of proposed abandonment, with utility portion at the south end (not included in the abandonment); and photo of proposed dedication. She stated that there was encroachment on the site and when looking at the proposed abandonment it seemed like a good time to look at dedication. Staff is recommending the abandonment and dedication. She said the applicant's engineer is present if the Board has any questions.

Supervisor Searle asked if the Sulphur Springs Valley Electric Cooperative (SSVEC) had been notified; Ms. Lamberton confirmed they have no objection.

Chairman Call opened the public hearing. No one wished to address the Board and Chairman Call closed the public hearing.

Chairman Call called for the vote and it carried unanimously.

WORK SESSIONS (FUTURE)

Item 9

APPROVE A WORK SESSION REQUEST TO DISCUSS CONTRACTING OUT THE TRUCKING COMPONENT OF THE SOLID WASTE SYSTEM TO A PRIVATE FIRM VERSUS CONTINUING WITH IN-HOUSE TRUCKING.

The Work Session was approved unanimously.

Item 10

APPROVE A WORK SESSION REQUEST TO DISCUSS THE SUGGESTION THAT THE BOARD HOLD SOME MEETINGS IN DIFFERENT PARTS OF COCHISE COUNTY.

The Work Session was approved unanimously.

Item 11

APPROVE A WORK SESSION REQUEST TO DISCUSS WHAT THE PASSAGE OF PROPOSITION 203 (ARIZONA MEDICAL MARIJUANA ACT) MEANS FOR COCHISE COUNTY FROM A LAND-USE PLANNING AND HEALTH REGULATION PERSPECTIVE.

The Work Session was approved unanimously.

REPORT BY MR. MIKE ORTEGA, COUNTY ADMINISTRATOR, ON RECENT AND PENDING COUNTY MATTERS

Mir. Ortega said he will be meeting with staff at the Western Regional Landfill to discuss the privatization of trucking and utilization of those transportation opportunities in other areas. Tomorrow he will be in Winchester Heights as staff support for Supervisor Searle and as a Cochise College Foundation board member to discuss progress of roads in that area. He stated he has been working with the Treasurer's Office and Information Technologies on the tax bill printing software. He will be out next Tuesday attending a funeral and will not be able to attend the next regular Board meeting.

CALL TO THE PUBLIC – Chairman Call opened the Call to the Public. Mr. Jack Cook addressed the Board on matters of personal concern. No one else wished to address the Board and Chairman Call closed the Call to the Public.

SUMMARY OF CURRENT EVENTS BY BOARD MEMBERS

Item 12

REPORT BY SUPERVISOR PAT CALL, DISTRICT NO. 1

Chairman Call said he will be participating in a teleconference tomorrow morning with the US/Mexico Border Counties Coalition Executive Board and tomorrow afternoon the Upper San Pedro Partnership Executive Committee meeting. He will be participating in the annual holiday parade on Saturday; Sunday afternoon the Garrison Commander's holiday reception and on Monday afternoon he will be meeting with Dr. Flores, Medical Examiner for their annual meeting.

REPORT BY SUPERVISOR ANN ENGLISH, DISTRICT NO. 2

Vice-Chairman English said that she attended the Arizona Association of Counties (AACo) meeting in Carefree for three days—good

http://www.co.cochise.az.us/BOS/MeetingMinutes/11.30.10.htm

information; met with many vendors. Sine attended the Ace Hardware pre-opening last week. Yesterday she was on the Bisbee radio station. She will be attending a networking breakfast in Tombstone tomorrow morning.

REPORT BY SUPERVISOR RICHARD SEARLE, DISTRICT NO. 3

Supervisor Searle said he will attend the Winchester Heights meeting tomorrow and the AZ/NM Coalition of Counties meeting on Thursday in Albuquerque.

Chairman Call adjourned the meeting at 10:58 a.m.

APPROVED:	
Patrick Call, Chairman	
ATTEST:	
Katie Howard, Clerk of the Board	

((SUPPORTING DOCUMENTATION IS AVAILABLE AT THE BOARD OF SUPERVISORS' OFFICE) at (520) 432-9200, FAX (520) 432-5016, TDD (520) 432-8360, 1415 Melody Lane, Building G, Bisbee, Arizona 85603.

STATE OF ARIZONA

Department of Revenue Property Tax Division Fax (602) 542-4425

Janice K. Brewer
Governor
Gale Garriott
Director

February 8, 2011

Mr. Thomas W. Schelling, Cochise County Elections/Special Districts P.O. Box 223 Bisbee, AZ 85603

RE: Resolution # 10-84 Establishment of Elfrida Domestic WID, State Docket #02-7163-11

District: Elfrida Domestic Water Improvement District

Dear Mr. Schelling:

Thank you for providing the necessary information to the Department of Revenue pursuant to A.R.S. 42-17257. To ensure processing and application of any tax levy for tax year 2011, the county assessor should be notified as soon as possible.

If you have any questions regarding this letter, please contact our office at (602) 716-6832 or direct your inquiries to my email address: fvillaverde@azdor.gov

Sincerely,

Flo Villaverde

Flo Villaverde Centrally Valued Property - GIS Telephone: 602 716 6832 Fax: 602 542 4425

cc: Cochise County Assessor - without attachments.

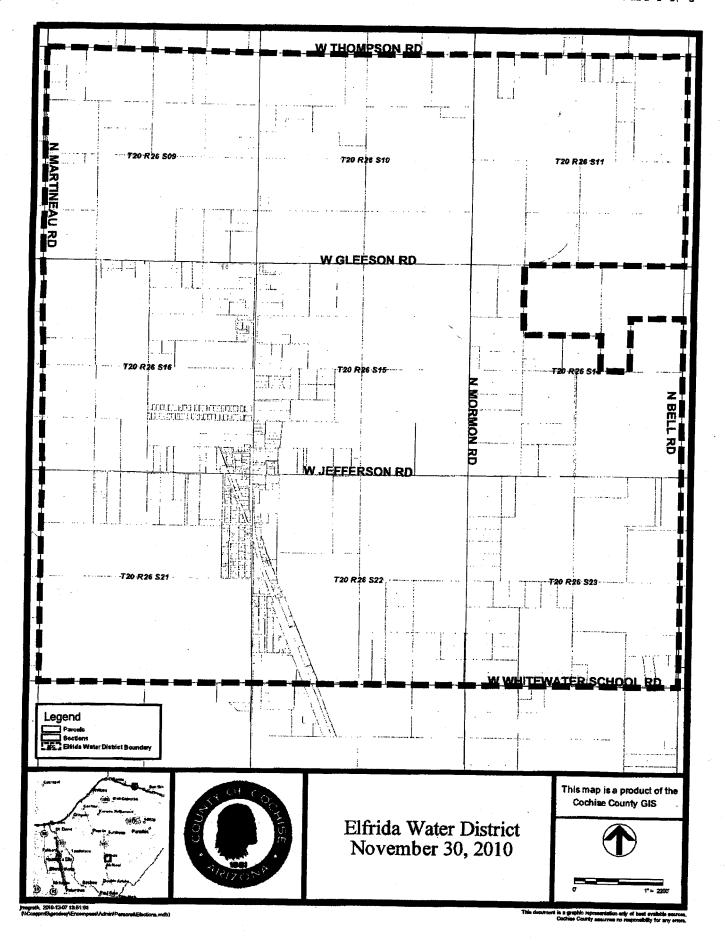
cc: Cochise Clerk of the Board of Supervisor - without attachments.

Legal Description: Elfrida Domestic Water Improvement District:

The boundaries of the proposed district shall be the perimeter of Thompson Road, Martineau Road, Bell Road and White Water School Road. This area generally includes that portion of the central part of the unincorporated community of Elfrida along State Highway 191. The proposed district is more specifically described as:

All of Sections 9, 10, 11, 14, 15, 16, 21, 22, and 23, Township 20 South, Range 26 East, excluding parcel numbers 403-19-002 and 403-19-003, all within Cochise County, Arizona.

A copy of the map of this area is attached.



· 1

Recording Requested By:

Elfrida Domestic Water User's Association

When recorded mail this deed and tax statement to: Elfrida Water Improvement District P.O.Box 356 Elfrida, AZ. 85610

Parcel Identification:

Book 403 Map 23 Parcel 004

2011-03890

Page 1 of 2
Requested By: ELFRIDA WATER IMPROVEMENT DISTRICT
Christine Rhodes - Recorder
Cochise County , AZ'
02-17-2011 10:51 AM Recording Fee \$13.00

QUITCLAIM DEED THIS OUITCLAIM DEED, Executed this 16 day of February 20_11_, by the Grantor(s), Elfrida Domestic Water User's Association, P.O.Box 356, Elfrida, AZ. 85610 to the Grantee(s), Elfrida WaterImprovement District, P.O. Box 356, Elfrida, AZ. 85610 WITNESSETH, That the said Grantor, for good consideration, the receipt whereof is hereby acknowledged, does hereby remise, release and quitclaim unto the said Grantee forever, all the right, title, interest and claim which the said Grantor has in and to the following described parcel of land, and improvements and appurtenances thereto in , State of Arizona the County of Cochise "SEE EXHIBIT A" A.R.S. 11-1134 A3 IN WITNESS WHEREOF, The said Grantor has signed and sealed these presents the day and year first above written. Signed, sealed and delivered in presence of: Signature Signature (Print Name: Dan Zamo Print Name: Andrew Warn Capacity: Grantor Capacity: Grantor Signature (Signature Print Names Jim Fletcher Print Name: Andrew Warn Capacity: Grantee Capacity: Grantee STATE OF Arizona **COUNTY OF Cochise** on 2-16-2011 before me, " personally appeared personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. I certify under PENALTY OF PERJURY that the foregoing paragraph is true and correct. [Seal] ALMA GARCIA Public, State of Arizona WITNESS my hand and official seal. Cochise County My Commission Expires Signature January 14, 2014

Recording Requested By:

Elfrida Domestic Water User's Association

When recorded mail this deed and tax statement to: Elfrida Water Improvement District P.O.Box 356 Elfrida, AZ. 85610

Lima, Az. 65616		
Parcel Identification:		
Book 403 Map 34 Parcel 034		
QUITO	LAIM DEED	
THIS QUITCLAIM DEED, Executed this 16 day of February , 20 11 , by the Grantor(s), Elfrida Domestic Water User's Association, P.O.Box 356, Elfrida, AZ. 85610		
to the Grantee(s), Elfrida WaterImprovement Distric	t, P.O. Box 356, Elfrida, AZ. 85610	
WITNESSETH, That the said Grantor, for good consideration, the receipt whereof is hereby acknowledged, does hereby remise, release and quitclaim unto the said Grantee forever, all the right, title, interest and claim which the said Grantor has in and to the following described parcel of land, and improvements and appurtenances thereto in the County of Cochise, State of Arizona, To Wit: "SEE EXHIBIT A"		
A.R.S. 11-1134 A3		
IN WITNESS WHEREOF, The said Grantor has signed and sealed these presents the day and year first above written.		
Signed, sealed and delivered in presence of: Signature	Signature Print Name: Dan Zamora Capacity: Grantor Signature Print Name: Jim Fletcher Capacity: Grantee	
STATE OF Arizona COUNTY OF Cochise On A - 10-201 before me. A Way Company personally appeared personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the		
entity upon behalf of which the person(s) acted, executhat the foregoing paragraph is true and correct.	cuted the instrument. I certify under PENALTY OF PERJURY	
WITNESS my hand and official seal. Signature	ALMA GARCIA Notary Public, State of Arizona Cochise County My Commission Expires January 14, 2014	

Recording Requested By:

Elfrida Domestic Water User's Association

When recorded mail this deed and tax statement to: Elfrida Water Improvement District P.O.Box 356 Elfrida, AZ, 85610

Elfrida, AZ. 85610	
Parcel Identification:	
Book 403 Map 25 Parcel 041B	
	LAIM DEED
THIS QUITCLAIM DEED, Executed this 16 day of Elfrida Domestic Water User's Association, P.O.Box	
to the Grantee(s), Elfrida WaterImprovement Distric	t, P.O. Box 356, Elfrida, AZ. 85610
hereby remise, release and quitclaim unto the said Gr said Grantor has in and to the following described pa	sideration, the receipt whereof is hereby acknowledged, does rantee forever, all the right, title, interest and claim which the reel of land, and improvements and appurtenances thereto in ona, To Wit:
A.R.S. 11-1134 A3	
IN WITNESS WHEREOF, The said Grantor has sign written.	ned and sealed these presents the day and year first above
Signed, sealed and delivered in presence of: Signature	Signature Print Name: Dan Zamora Capacity: Grantor
Signature Warn Warn	Signature Julian
Capacity: Grantee	Print Name: <u>Jim Fletcher</u> Capacity: <u>Grantee</u>
STATE OF Arizona COUNTY OF Cochise	A
is/are subscribed to the within instrument and acknow his/her/their authorized capacity(ies), and that by his/	s of satisfactory evidence) to be the person(s) whose name(s)
WITNESS my hand and official seal. Signature (MM) (2 (M) () ()	cal] ALMA GARCIA Notary Public, State of Arizona Cochise County My Commission Expires January 14, 2014

Exhibit A

Parcel I:

403-34-034

A portion of the following described property lying in the West half of the Northwest quarter of Section 22, Township 20South, Range 26 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona;

BEGINNING at the Southwest corner of the West half of the Northwest quarter;

Thence East to the East line of Central Highway;

Thence North along the East line of said highway to the intersection of the West boundary line of State Highway 191 right of way;

Thence Southeasterly along the West line of Highway 191 right of way to the south line of the West half of the Northwest quarter described above;

Thence West to the East line of Central Highway and the POINT OF BEGINNING;

Said portion described as follows:

BEGINNING at a point which is the center of the south line of the above described tract;

Thence East 20.00 feet;

Thence North 25.00 feet;

Thence West 40.00 feet;

Thence South 25.00 feet;

Thence East 20.00 feet to the POINT OF BEGINNING.

Parcel II: 403-23-004

The East 75.00 feet of the Southeast quarter of the Southwest quarter of the Southwest quarter of Section15, Township 20 South, Range 26 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona;

EXCEPT THE South 400.00 feet thereof.

Parcel III: 403-25-041B

That portion of the North half of the Northeast quarter of the Northeast quarter of Section 16, Township 20 south, Range 26 East of the Gila and Salt River Base and Meridian, Cochise County, Arizona, more particularly described as follows:

COMMENCING at a ½ inch pin in pavement for the Northeast corner of said Section:

Thence North 89 Degree 35' 58" West 736.88 feet along the North line of said Section;

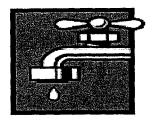
Thence South 00 Degree 24' 02" West 33.00 feet to the POINT OF BEGINNING;

Thence South 00 Degree 24' 02" West 150.00 feet;

Thence North 89 Degree 35' 58" West 100.00 feet;

Thence North 00 Degree 24' 02" East 150.00 feet;

Thence south 89 Degree 35' 58" East 100.00 feet along the line of Gleason Road to the POINT OF BEGINNING.



ELFRIDA DOMESTIC WATER USERS ASSOCIATION

PO Box 356 RT 191 Elfrida, AZ 85610 Phone 520-642-1290

Email address: elfridawater@yahoo.com

February 17, 2011

To the Board of the Elfrida Water Improvement District:

This letter is to inform the board of the Elfrida Water Improvement District (EWID) that the board of the Elfrida Domestic Water User Association (EDWUA) has voted to transfer all assets at no cost to the EWID effective February 15, 2011.

The board of the EDWUA will see that all paperwork and documentation is forwarded by the end of the month. Attached is the list of assets that are being transferred.

If you have any questions please feel free to contact me at 520-642-1290.

Sincerely,

Elfrida Domestic Water Users Association Board

Dan Zamora, Secretary/Treasurer

Elfrida Domestic Water Users Asset List

Site #1 School Well #1

- 1-12" well 200 ft
- 1-15 Hp Pump and electrical control Box
- 1 10 HP Booster pump and electrical control box's
- 1 5,000 gallon pressure tank and air compressor
- 1 55,000 gallon storage tank
- 1 Pump house 20' x 30'
- 1 Compactor
- 1 Trash pump and hose's
- 1 1.5 hp air compressor
- 1 12" fan and Poulan gas trimmer

Misc working stock

- 24" values
- 21 4" and 6" values face plates
- 8 Coupling 6" and 4"
- 25 Saddles 6" and 4"
- 2 Hot Taps
- 14 Head's fire Hydrant
- 1 55 lbs chlorination tablets
- 4 4" steel tee's and elbow
- 34" check values
- 4 Unions 3" and 4"
- 7 Steel Coupling 3" and 4"
- 5 Steel elbow 2" and 3"
- 1 Cooler
- 6 Value wrenches and 1 box key
- 8 Road Barricades
- 8 Steel hose Coupling
- 2 box misc. PVC fittings 6" to $\frac{1}{2}$ "
- 1 Meter box
- 7 Steel lids
- 2 PVC lids

Site #2 Park Well #2

- 1 12" well 200 ft (not used)
- 1-30 HP in line pump (not used)
- 1 5,000 gallon pressure tank ...
- 1-4" back flow value and piping

Site #3 Gleeson Rd Well #3

- 1 12" well 610'
- 1-25 hp pump and control box
- 2 10 hp booster pump and control boxes
- 1 6000 gallon pressure tank
- 1 30,000 gallon storage tank
- 1 Pump house 24' x 18'
- 1 1.8 HP air compressor and hose
- 1 Cooler

Mains/Lines

14,520 ft - 6" transite and PVC

6080 ft - 4" PVC

3960 ft - 3" transite

2640 ft - 2" PVC

Meters

¾" - 219 Active - 40 estimated inactive

1" - 1 Active - 0 inactive

1.5" - 4 Active - 1 inactive

2" - 2 active - 1 inactive

21 - Active fire hydrants - 1 inactive

1 - PVC pipe 2" x 15'

14 - misc. PVC 1/2 "x 2"

7 – New meter

20' - 1" ABS 60' 34" ABS

Office Equipment

- 5 File Cabinets
- 2 Desks
- 1 6" vise
- 3 Tables
- 2 Office Chairs
- 4 Steel Chairs
- 1 Printer HP LaserJet
- 2 Advantage Micro Computers with monitors
- 1 Cannon Calculator
- 2 Phones 1 V-Tech active and 1 old phone inactive
- 2 In boxes

Office Supplies, paper, pens, rolodex and misc

- 1 Sentry Safe
- 1 Paper Shredder
- 7 Boxes old records
- 12 Record books

TATE OF ARIZONA) : SS COUNTY OF COCHISE)

AFFIDAVIT (PUBLICATION

KIMBERLY L HICKS

being first

Duly sworn, deposes and says: That (he) (she) is the Agent to the Publisher of the DOUGLAS DISPATCH newspaper printed and published one day a week in the City of Douglas, County of Cochise, State of Arizona. That the notice, a copy of which is hereto attached, described as follows:

NOTICE OF SALE OF ASSETS

was printed and published in the regular and entire issue of said

DOUGLAS DISPATCH for

1 issues, that the first was

made on the

9th day of

FEBRUARY 20 11

and the last publication thereof was made on the

9th day of the analysis

FEBRUARY

2011

that said publication

was made on each of the following dates, to wit:

02/09/11

Request of

ELFRIDA WATER DISTRICT

The Mouglas Mispatch

530 11th Street Douglas, AZ 85607 (520)364-3424

Subscribed sworn to before me this

9th

FEBRUARY

7 7

11

20

Patercia J. Aguine



Notary Public in and for the County of Cochise, State of Arizona

My Commission Expires:

March 25, 2012



ELFRIDA WATER IMPROVEMENT DISTRICT

PO Box 356 10394 "C" N Highway RT 191 Elfrida, AZ 85610 Phone 520-642-1290

Email address: elfridawater@yahoo.com

PUBLIC NOTICE OF AN APPLICATION FOR THE SALE OF ASSETS AND THE CANCELLATION OF THE CERTIFICATE OF CONVENIENCE AND NECESSITY BY

ELFRIDA DOMESTIC WATER USERS ASSOCIATION

Elfrida Domestic Water Users Association has filed with the Arizona Corporation Commission ("Commission") an application for authority to sell its assets and cancel its Certificate of Convenience and Necessity to provide water service. Elfrida Domestic Water Users Association system has been sold by Elfrida Water Improvement District. If the application is granted, Elfrida Water Improvement District would be the exclusive provider of water service to your area and will establish its own rates and charges.

If you have any claims against the Elfrida Domestic Water Users Association, including claims for refunds of security deposits, service line and meter installations (Water Only) or main extension agreements and you have not already been contacted by the Company, you must present your claim to the Elfrida Domestic Water Users Association on or before March 1, 2011. Direct your claim(s) to the Elfrida Domestic Water Users Association at PO Box 356, 10394 "C" North Highway 191, Elfrida, AZ 85610, telephone 520-642-1290.

Approval of the application may be given without a hearing. If you have any questions or concerns about this application, have any objections to its approval or would like to request information on intervention in the proceeding, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, AZ 85007 or call 602-542-4251 or call toll free 1-800-222-7000.

Published February 9, 2011

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MEMORANDUM

FILE COPPECEIVED

TO:

Docket Control

FROM:

Steven M. Olea

Director

Utilities Division

Date:

September 6, 2011

RE:

STAFF REPORT FOR THE APPLICATION FOR APPROVAL OF SALE OF ASSETS AND CANCELLATION OF CERTIFICATE OF CONVENIENCE AND NECESSITY OF ELFRIDA DOMESTIC WATER USERS ASSOCIATION TO ELFRIDA WATER IMPROVEMENT DISTRICT

DOCKET NO: W-01351A-11-0089

Attached is the Staff Report for the transfer of Elfrida Domestic Water Users Association to Elfrida Water Improvement District. Staff recommends approval.

SMO:KMS:red

Originator: Kiana M. Sears

Attachment: Original and 13 Copies

EXHIBIT

S-Z

ADMITTED

Service List for: Elfrida Domestic Water Users Association

Docket No. W-01351A-11-0089

Mr. Michael J. Coyle Elfrida Domestic Water Users Association PO Box 356 10394 "C" Highway 191 Elfrida, Arizona 86434

Mr. Steven M. Olea Director, Utilities Division Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007

Ms. Janice Alward Chief Legal Counsel, Legal Division Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007

Ms. Lyn Farmer Chief Administrative Law Judge, Hearing Division Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007

STAFF REPORT UTILITIES DIVISION ARIZONA CORPORATION COMMISSION

ELFRIDA DOMESTIC WATER USERS ASSOCIATION DOCKET NO. W-01351A-11-0089

APPROVAL OF SALE AND CANCELLATION OF CERTIFICATE OF CONVENIENCE AND NECESSITY OF ELFRIDA DOMESTIC WATER USERS ASSOCIATION TO ELFRIDA WATER IMPROVEMENT DISTRICT

STAFF ACKNOWLEDGMENT

The Staff Report for Elfrida Domestic Water Users Association, Docket No. W-01351A-11-0089 was prepared by the Staff members shown below.

Kiana M. Sears

Executive Consultant I

Jian W. Liu

Utilities Engineer

EXECUTIVE SUMMARY ELFRIDA DOMESTIC WATER USERS ASSOCIATION DOCKET NO. W-01351A-11-0089

On February 25, 2011, Elfrida Domestic Water Users Association ("Elfrida" or "Company") filed an application with the Arizona Corporation Commission ("Commission") for approval to sell and transfer the ownership of the assets from Elfrida to Elfrida Water Improvement District ("District") and to cancel the Certificate of Convenience and Necessity ("CC&N") of Elfrida.

Elfrida is an Arizona non-profit corporation providing water service to approximately 228 customers in Bisbee, Arizona. The boundaries of the Company are the perimeter of Thompson Road, Martineau Road, Bell Road and White Water School Road. This area includes the central part of the unincorporated community of Elfrida along State Highway 191.

The operators of the water system for the Company will be the operators of the District and are listed as the five members of the Board of Directors for the District. The current rates charged by the Company will also be the rates charged by the District. This change will have minimal impact to customers, if any at all.

Staff recommends Commission approval of the sale and transfer of the assets of Elfrida to the District and cancellation of the Company's CC&N.

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ENGINEERING MAP	В

Elfrida Domestic Water Users Association Docket No. W-01351A-11-0089 Page 1

INTRODUCTION

On February 25, 2011, Elfrida Domestic Water Users Association ("Elfrida" or "Company") filed an application with the Arizona Corporation Commission ("Commission") for approval to sell and transfer the ownership of the assets from Elfrida to Elfrida Water Improvement District ("District") and to cancel the Certificate of Convenience and Necessity ("CC&N") of Elfrida. If the application for approval to sell and transfer Elfrida's assets and property to the District is approved, the District will assume all of the Company's debt and will continue to provide service to all the Company's customers.

BACKGROUND

Elfrida is an Arizona non-profit corporation providing water service to approximately 228 customers in Bisbee, Arizona. The boundaries of the Company are the perimeter of Thompson Road, Martineau Road, Bell Road and White Water School Road. This area includes the central part of the unincorporated community of Elfrida along State Highway 191. The residents and customers of Elfrida petitioned to form the District. On November 30, 2010, a hearing was held by the Cochise County Board of Supervisors to form the District. The motion to create the District was passed, approved, and adopted.

COMPANY WATER SYSTEM

The Company has two wells, three pressure tanks, two storage tanks and a distribution system serving 228 metered connections. Staff concludes that Elfrida has adequate production and storage capacity to serve the existing customer base and could accommodate growth.

OPERATION AND RATES

The operators of the water system for the Company will be the operators of the District and are the members of the Board of Directors for the District. The rates charged by the Company will also be the rates charged by the District. This change will have minimal impact to customers, if any at all.

COMPLIANCE

The Arizona Department of Environmental Quality ("ADEQ") regulates Elfrida's water system under System I.D. No. 02017. ADEQ has determined that this system is in full compliance with ADEQ requirements and is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4. Arizona Department of Water Resources, ("ADWR") also regulates Elfrida's water system, under Water System I.D. No. 60-20309800000; 91-000038.0000. As of the 5/1/2011 report completion date, ADWR has determined that this system is currently compliant with departmental requirements governing water providers and or community water systems. A check of the Utilities Division Compliance Database showed no delinquent compliance items for the Company.

Elfrida Domestic Water Users sociation Docket No. W-01351A-11-0089 Page 2

RECOMMENDATION

Staff recommends the Commission approve the sale and transfer of the assets of Elfrida Domestic Water User's Association to Elfrida Water Improvement District and cancellation of the Company's CC&N.

MEMORANDUM

DATE:

August 16, 2011

TO:

Kiana Sears

Executive Consultant I

FROM:

Jian W. Liu,

Utilities Engineer

RE:

In the matter of the application of Elfrida Domestic Water Users Association for

Approval to Transfer Assets and cancel their Certificate of Convenience and

Necessity

Docket No. W-01351A-11-0089

Introduction

On February 25, 2011, Elfrida Domestic Water Users Association ("EDWUA" or "Company") filed an Application with the Arizona Corporation Commission ("ACC" or "Commission") for approval to sale its water system assets and cancel its Certificate of Convenience and Necessity ("CC&N"). EDWUA holds a CC&N to provide water service to 228 customers (December 2010) in Cochise County, Arizona.

Buyer Background and Reasons Given in Support of the Proposed Transfer

On November 30, 2010, Cochise County Board of Supervisors approved to form ELFRIDA DOMESTIC WATER IMPROVEMENT DISTRICT ("EDWID"). EDWUA has voted to transfer all assets at no cost to the EDWID effective February 15, 2011.

According to information provided by the Company the EDWID will provide a permanent economical and a publicly responsive successor in interest to the current domestic water provider. EDWID will promote public convenience, necessity or welfare, and the costs will be reduced.

EDWUA Water System

The system consists of two wells, three pressure tanks, two storage tanks and a distribution system serving approximately 228 metered customers. Staff concludes that the EDWUA water system has adequate production and storage capacity to serve the existing customer base and reasonable growth.

Arizona Department of Environmental Quality ("ADEQ") Compliance

ADEQ regulates the EDWUA Water system under ADEQ Public Water System I.D. No. 02-017. ADEQ has determined that this system has no deficiencies and is currently delivering water that meets the water quality standards required by Arizona Administrative Code, Title 18, Chapter 4. (ADEQ Compliance Status Report dated May 20, 2011).

Arizona Department of Water Resources ("ADWR") Compliance

EDWUA is not located in any ADWR Active Management Area ("AMA") and is not subject to any AMA reporting and conservation requirements. Staff received an ADWR compliance status report dated May 5, 2011. ADWR reported that the Company is currently in compliance with departmental requirements governing water providers and/or community water systems.

ACC Compliance

A check of the Commission Utilities Division Compliance Section database indicated there are no delinquent compliance items for EDWUA. (ACC Compliance Section Email dated August 11, 2011)

Summary

Conclusions

- 1. ADEQ regulates the EDWUA Water system under ADEQ Public Water System I.D. No. 02-017. ADEQ has determined that this system has no deficiencies and is currently delivering water that meets the water quality standards required by Arizona Administrative Code, Title 18, Chapter 4. (ADEQ Compliance Status Report dated May 20, 2011).
- 2. EDWUA is not located in any ADWR Active Management Area ("AMA") and is not subject to any AMA reporting and conservation requirements. Staff received an ADWR compliance status report dated May 5, 2011. ADWR reported that the Company is currently in compliance with departmental requirements governing water providers and/or community water systems.
- 3. A check of the Commission Utilities Division Compliance Section database indicated there are no delinquent compliance items for EDWUA. (ACC Compliance Section Email dated August 11, 2011).
- 4. Staff concludes that the EDWUA water system has adequate production and storage capacity to serve the existing customer base and reasonable growth.

MEMORANDUM

TO:

Kıana Sears

Executive Consultant I

Utilities Division

FROM:

Lori H. Miller

Programs & Proj

Utilities Division

THRU:

Del Smith DS

Engineering Supervisor

Utilities Division

DATE:

March 9, 2011

RE:

ELFRIDA DOMESTIC WATER USER'S ASSOCIATION (DOCKET NO. W-01351A-11-0089)

Elfrida has filed an application to cancel its CC\$N. Service will be provided by the Elfrida Water Improvement District.

Attached is a copy of the map and the amended legal description for your files.

/lhm

Attachment

cc: Mr. Michael J. Coyle, Jr.

Ms. Deb Person (Hand Carried)

Mr. Jian Liu

File

COCHISH COUNTY

RANGE 26 East

W-01351A (1)
Elfrida Water User's Association

Elfrida Water User's Association Docket No. W-01351A-11-0089 Application to Cancel (to Elfrida Water Improvement District)

Pursuant to ARS § 39-121.03 this map is 'Not for Commercial Use'